IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE FOURTEENTH DAY OF MARCH
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE V.ESWARAIAH

WRIT PETITION NO : 19994 of 2004

Between:

Mrs.T.Vijayalaxmi, W/o.Late Sri N.Prabhkar Rao,
M/s.Vijaya Cooperative (W) Urban Bank Ltd.,
R/o.H.No.1-2-340,Laxmi Nilayam, Gagan Mahal, Domalguda, Hyderabad.

..... PETITIONER

AND

1. The Enquiry officer cum District Cooperative Audit officer, M/s. Vijaya Cooperative (W), Urban Bank, Ltd.,Golkonda Division, Hyderabad.
2 The Divisional Cooperative officer, Golkonda Division, Hyderabad.
3 The Registrar of Cooperative societies Government of A.P., Hyderabad.
4. M/s The Vijaya Cooperative Urban Bank (W) Limited, Road No.1, Opp:Taj Krishna Banjara Hills, Hyderabad, rep. By its Liquidator.

(Respondent No.4 is impleaded as per the order, dated:14.03.2005 passed by this Court in WPMP No.4705 of 2005).

.....RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed herein the High Court may be pleased to grant a writ, order or direction, more so in the nature of writ of mandamus, declaring the orders dated 10-9-2004 passed by the A.P. Cooperative Tribunal vacating the stay granted in IA No. 761 of 2004 in CTA No121 of 2004 filed by the petitioner as violative of Articles 14, 19 and 21 of Constitution of India and consequently quash the said orders dated 10-9-2004 of the A.P. Cooperative Tribunal Hyderabad.

Counsel for the Petitioner: MR.R.RAGHUNANDAN

Counsel for the Respondent Nos.1 to 3: GP FOR COOPERATION

Counsel for the Respondent No.4: Mr.D.Goverdhana Chary.

The Court made the following :

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O R D E R :

The petitioner questions the order, dated 10.09.2004 made in I.A.No.761 of 2004 in C.T.A.No.121 of 2004 on the file of the A.P. Cooperative Tribunal, Hyderabad. The said order of the Cooperative Tribunal reads as follows:

"Reported orders not complied. Hence, as per the condition it shall be deemed that stay order is not in force. Petition is closed."

The petitioner was the Ex-chairman, M/s. Vijaya Cooperative (W) Urban Bank Limited, Hyderabad-4th respodent who has been impleaded by order of this Court, dated 14-03-2005 vide orders in W.P.M.P.No.4705 of 2005.

It is stated that the bank committed various irregularities under the Chairmanship of the petitioner and therefore a show cause notice was issued to the petitioner for recovery of an amount of Rs.4,79,92,722/- which amount was sanctioned without proper security and the sureties of two persons and the bank sustained a loss of Rs.1,13,13,870/- for which the petitioner is responsible. After considering the reply and explanation, the surcharge order was set aside by the Divisional Cooperative Officer-second respondent herein directing the petitioner to pay an amount of Rs.1,13,13,870/- and also Rs.4,79,92,722/- respectively totalling Rs.5,93,06,592/- with interest thereon. The said amount has not been deposited and the petitioner filed an appeal before the Cooperative Tribunal in C.T.A.No.121 of 2004. The petitioner also filed I.A.No.761 of 2004 and obtained an interim order on 02.07.2004 wherein the Tribunal granted stay of all further proceedings subject to furnishing security for Rs.1,14,41,136/- or deposit half of the amount therein within one month from the date of the said order. Admittedly, the petitioner did not comply with the said order.

It appears that the Cooperative Tribunal enlarged the time till 11.08.2004 for compliance of the said order. But, the petitioner has not complied with the said order. The petitioner admittedly has not furnished any security for a sum of Rs.1,14,41,136/-. On the other hand, the petitioner submitted an unregistered security bond on 10.08.2004 for Rs.57,22,000/- alone without filing any original sale deed or link documents and that too for half of the security amount only. Therefore, admittedly the petitioner has not complied with the interim order as extended up to 11.08.2004 and the said conditional order dated 02.07.2004 as extended up

to11.08.2004 was not at all questioned in this Writ Petition. As the petitioner questions only the manner of rejection of security furnished by him and admittedly the petitioner has not furnished any security for the sum stipulated in the said interim order and therefore, I do not see any illegality in the impugned order passed by the Tribunal.

Accordingly, the Writ Petition is dismissed. There shall be no order as to costs.

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V. ESWARAIAH, J

Dated:14-03-2005

Ccm

To

1.The Enquiry officer cum District Cooperative Audit officer, M/s. Vijaya

Cooperative (W), Urban Bank, Ltd.,Golkonda Division, Hyderabad.
2 The Divisional Cooperative officer, Golkonda Division, Hyderabad.
3 The Liquidator,M/s The Vijaya Cooperative Urban Bank (W) Limited, Road No.1,

Opp:Taj Krishna Banjara Hills, Hyderabad,

4 The Registrar of Cooperative societies Government of A.P., Hyderabad.

5 Two CCs to the G.P. for Cooperation, High Court Buildings, A.P.Hyderabad(OUT)

6 Two CD copies.